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# HOUSE BILL No. 1229

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## DIGEST OF INTRODUCED BILL

**Citations Affected:** IC 6-2.3-1-5.5; IC 6-2.3-5.3.

**Synopsis:** Utility receipts tax credit for foundries. Provides a credit against the utility receipts tax for certain utility services used in the direct production of tangible personal property in a person's business of metal casting manufacturing.

**Effective:** July 1, 2010.

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## Pearson, Grubb, Wolkins, Friend

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January 11, 2010, read first time and referred to Committee on Ways and Means.

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Second Regular Session 116th General Assembly (2010)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2009 Regular and Special Sessions of the General Assembly.

## HOUSE BILL No. 1229

A BILL FOR AN ACT to amend the Indiana Code concerning taxation.

*Be it enacted by the General Assembly of the State of Indiana:*

1       SECTION 1. IC 6-2.3-1-5.5 IS ADDED TO THE INDIANA CODE  
2 AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY  
3 1, 2010]: **Sec. 5.5. "NAICS code" has the meaning set forth in**  
4 **IC 6-2.5-10-5.**

5       SECTION 2. IC 6-2.3-5.3 IS ADDED TO THE INDIANA CODE  
6 AS A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE  
7 JULY 1, 2010]:

8       **Chapter 5.3. Credits**

9       **Sec. 1. To receive a credit granted by this chapter, a taxpayer**  
10 **must claim the credit on the taxpayer's quarterly gross receipts tax**  
11 **return or annual state tax return. The taxpayer shall submit to the**  
12 **department in the manner specified by the department the**  
13 **information that the department determines is necessary for the**  
14 **calculation of a credit granted by this chapter.**

15       **Sec. 2. (a) This section applies only to the following utility**  
16 **services:**

17       **(1) Electrical energy used for power.**



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(2) Natural gas, either mixed with another substance or pure, used for power.

(3) Steam used for power.

(b) A taxpayer that receives taxable gross receipts in a taxable year that are derived from the sale of utility services described in subsection (a) to a person who acquires the utility services described in subsection (a) for direct consumption in the direct production of tangible personal property in the person's business of metal casting manufacturing in the industry group described by NAICS code 3315 (foundries), including an industry described by:

(1) NAICS code 33151 (ferrous metal foundries);

(2) NAICS code 331511 (iron foundries);

(3) NAICS code 331512 (steel investment foundries);

(4) NAICS code 331513 (steel foundries (except investment));

(5) NAICS code 33152 (nonferrous metal foundries);

(6) NAICS code 331524 (aluminum foundries (except die casting)); or

(7) NAICS code 331525 (copper foundries (except die casting));

is entitled to a credit against the utility receipts taxes imposed in the taxable year against the taxpayer.

(c) The amount of the credit to which a taxpayer is entitled in a taxable year is equal to the lesser of the following:

(1) The amount of utility receipts taxes imposed on the taxpayer in the taxable year for utility services acquired for a purpose described in subsection (b).

(2) Six thousand dollars (\$6,000).

SECTION 3. [EFFECTIVE JULY 1, 2010] (a) The definitions in IC 6-2.3 apply throughout this SECTION.

(b) IC 6-2.3-5.3-2, as added by this act, including IC 6-2.3-5.3-2(c)(1), applies only to transactions occurring after June 30, 2010.

(c) For purposes of IC 6-2.3-5.3-2, as added by this act:

(1) a transaction shall be considered as having occurred before July 1, 2010, to the extent that the agreement of the parties to the transaction is entered into before July 1, 2010, and payment for the utility services furnished in the transaction is made before July 1, 2010, notwithstanding the delivery of the utility services after June 30, 2010; and

(2) transactions for which the charges are collected upon original statements and billings dated after June 30, 2010, shall be considered as having occurred after June 30, 2010.

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1 (d) This SECTION expires July 1, 2011.

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